

## INSIDER'S EDGE: Issue 148: Loss of Coverage. What Happens Next?

Insiders, we're going to take a peek into the scenarios of two different families this week. Both families have people who recently lost their health insurance coverage and are wondering about what happens next.

### Scenario 1



*"Come back, Annie! I have to tell you about Medicaid!"*

Jeff and Annie are married, live together, and both receive employer-based coverage from Annie's job. Jeff does not work. Annie is fired on April 4, but will continue to receive benefits until April 30, after which she may purchase COBRA. Annie and Jeff are interested in applying for Medicaid benefits while Annie looks for another job. How would Annie's COBRA coverage affect her Medicaid eligibility?

**COBRA Refresher:** Individuals who lose their health coverage under certain circumstances are eligible to keep their job-based insurance plan through COBRA continuation coverage. COBRA is a federal law that allows some individuals to pay to keep themselves and their family on their employee health insurance for a limited time (usually 18 months) after their employment ends or they otherwise lose coverage. I won't go into too many details on what makes someone eligible for COBRA, but readers who are unfamiliar with COBRA should [check this out](#).

### Answer

Annie can apply for Medicaid at any point in the year as long as she meets the eligibility requirements (income, etc.), and availability of COBRA coverage won't affect her Medicaid eligibility. In fact, Annie could enroll in COBRA and Medicaid simultaneously. Annie can also drop her COBRA coverage when she enrolls in Medicaid and receive all her health benefits through the Medicaid program. Jeff, listed on Annie's application, could also be eligible for Medicaid benefits. For more scenarios about COBRA, revisit [Issue 50: COBRA Conundrums](#).

## Scenario 2



*“Not now Ben, I’m working on our health insurance!”*

Troy is a single parent, and his son, Ben, is enrolled in MCHP Premium. Troy does not qualify for Medicaid as a parent, but receives Advance Premium Tax Credits (APTCs) and Cost Sharing Reductions (CSR) to purchase health insurance through MarylandHealthConnection.gov. Troy loses his job and moves in with his mother to save money. Troy believes he is eligible for Medicaid, but is unsure how his mother’s income affects his and his son’s eligibility. Which family members are counted in Troy’s household when he updates his application?

### Answer

Remember those fun relationship-based rules? Of course you do! (But if you don’t, [revisit here.](#)) This household depends on the tax filing status of Troy and his mother. For example:

- Mother will file her own taxes, will not claim Troy or Ben as dependents: Mother’s household size is **1**.
- Troy will file taxes claiming Ben as a dependent: Troy’s household size is **2**.
- Ben is claimed as Troy’s dependent: Ben’s household size is **2**.

That’s all for this week, Insiders!

**Questions?** Send an email to [dhmh.medicaidmarge@maryland.gov](mailto:dhmh.medicaidmarge@maryland.gov).